

CHAPTER-2

CONSUMER ORIENTED E-COMMERCE E-RETAILING

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1. Traditional retailing and E-retailing, benefits of E-Retailing, key success factors, models of E-Retailing, features of E-Retailing



❖ E-Retailing

E-retailing, also known as online retailing or e-commerce, refers to the practice of selling products or services through digital channels, such as websites, mobile apps, social media platforms, or marketplaces. It is a rapidly growing method of commerce that has revolutionized the way people shop.

In e-retailing, customers can browse, select, and purchase products or services online using a computer or mobile device. E-retailers typically maintain an online store where customers can view product information, images, and reviews, and make a purchase using a secure payment system. E-retailers can also leverage technology to offer personalized recommendations, optimize the shopping experience, and provide fast and reliable shipping.



Advantages of E-Retailing

- **Convenience and accessibility:**

Customers can shop from anywhere and at any time, making it more convenient and accessible for busy or remote customers.

- **Wide range of products and brands:**

E-retailers can offer a wider range of products and brands than physical stores, as they are not limited by physical space.

- **Price comparison:**

E-retailers can offer price comparison options, allowing customers to easily compare prices across different products and retailers.

- **Lower overhead costs:**

E-retailing requires lower overhead costs than traditional retailing, as there is no need for physical stores or high staffing levels.

- **Global reach:**

E-retailers can reach a global customer base, allowing businesses to expand their reach beyond their local area.

Disadvantages of E-Retailing

- **Lack of tangible experience:**

Customers cannot touch, try on, or examine products before making a purchase, which may lead to uncertainty or dissatisfaction.

- **Delayed gratification:**

Customers have to wait for shipping or delivery, which may take longer than the immediate gratification of buying in-store.

- **Potential for fraud:**

E-retailing is susceptible to fraud and security breaches, as sensitive information such as credit card details may be vulnerable to theft.

- **Competition from other e-retailers:**

With the rise of e-commerce, the competition between e-retailers has intensified, making it challenging for businesses to differentiate themselves.

- **Technical issues:**

E-retailing relies heavily on technology, which can lead to technical issues such as website crashes or payment processing errors.





Comparison	Traditional Retailing	E-Retailing
Physical Presence	Requires a physical store presence	Can be done entirely online
Overhead Costs	Involves high overhead costs, such as rent, utilities, and staffing	Requires fewer overhead costs
Customer Experience	Offers a more personal and interactive customer experience	Provides convenience and accessibility
Product Range	Has limited space for inventory and product display	Offers a wider range of products and brands
Geographic Reach	Is limited to the local customer base	Allows businesses to reach a global customer base



2. E-Services: Categories of E-Services, **Web-enabled services, match making** **services**

- ▶ E-service is also known as an online service refers to any information and service provided over the Internet. These services not only allow subscribers to communicate with each other, but they also provide unlimited access to information.



Categories of E-Services:

- **Financial Services:**

This category includes online banking, mobile banking, electronic fund transfers, online bill payment, investment management platforms, and digital wallet services.

- **E-Commerce:**

E-commerce services facilitate online buying and selling of goods and services. This includes online marketplaces, retail websites, auction sites, online payment gateways, and digital storefronts.

- **Digital Content and Entertainment:**

This category encompasses services for streaming and downloading digital content such as music, movies, TV shows, e-books, podcasts, and video games. Examples include streaming platforms like Netflix, Spotify, and Kindle Store.

- **Communication and Collaboration:**

Services in this category enable communication and collaboration over digital channels. This includes email services, instant messaging apps, video conferencing platforms, project management tools, and social media networks.



- **Online Learning and Education:**

E-services in this category provide online courses, virtual classrooms, educational resources, and e-learning platforms for individuals and institutions. Examples include platforms like Coursera, Khan Academy, and Udemy.

- **Healthcare Services:**

E-health services offer virtual healthcare consultations, telemedicine appointments, remote monitoring, online pharmacies, and health information portals.

- **Travel and Hospitality:**

This category includes online booking services for flights, hotels, rental cars, vacation packages, and travel insurance. Online travel agencies (OTAs) and accommodation booking platforms fall under this category.

- **Government Services:**

Governments offer various e-services to citizens and businesses, including online tax filing, permit applications, vehicle registration, voting systems, and access to government information portals.



Web Enabled Services

- ▶ Web-enabled e-services refer to the delivery of services over the internet, leveraging web technologies to provide users with access to information, applications, and processes for personal or business use.
- ▶ These services harness the power of the WWW to offer a wide range of functionalities and benefits that traditional offline services cannot match.



Key aspects of Web-enabled services

- **Accessibility:**

Services are accessible from anywhere at any time, provided there is internet connectivity. This global reach ensures that users can access services regardless of their geographical location.

- **Interactivity:**

Web-enabled e-services offer interactive experiences, allowing users to engage dynamically with the service providers. This could include customizing service options, providing feedback, or engaging in real-time communication.

- **Integration:**

Many web-enabled services can integrate with other services and systems, enhancing their functionality and providing a seamless experience for users. For example, an e-commerce website might integrate with payment gateways, logistics services, and customer relationship management (CRM) systems.

- **Scalability:**

Services can be scaled up or down based on demand without the need for significant physical infrastructure changes. This flexibility is crucial for accommodating growth or fluctuations in user demand.



Examples of Web-enabled E-services:

- **Online Banking:**

Allows customers to manage their finances, transfer money, pay bills, and access financial services without visiting a bank branch.

- **E-Learning Platforms:**

Offer educational content and courses online, enabling students to learn at their own pace from anywhere in the world.

- **E-Health Services:**

Provide access to healthcare information, telemedicine consultations, and online appointment booking, improving accessibility to healthcare services.

- **E-Government:**

Enables citizens to access government services online, such as renewing licenses, filing taxes, and applying for permits, making governmental processes more efficient and transparent.



Match Making E-Services

- ▶ Matchmaking services connect buyers and sellers, facilitating transactions and collaborations. These services help businesses find the right partners, suppliers, or customers by analyzing their needs and offerings.
- ▶ Essentially, they act as a bridge between parties with complementary business interests, streamlining the process of finding suitable matches for various e-commerce activities.



Match making e-services Types

- **Dating and Social Networking**

Perhaps the most recognized form of matchmaking, dating websites and apps connect individuals looking for romantic relationships. Users create profiles, specify their interests and preferences, and the service suggests potential matches based on compatibility metrics.

- **Professional Networking**

These platforms connect professionals with potential employers, mentors, or collaborators within their industry. LinkedIn is a prime example, offering job matchmaking based on skills, experience, and professional interests.



- **Business Partnerships**

Matchmaking in the business context involves connecting businesses with potential partners, suppliers, or customers. Platforms like Alibaba or ThomasNet serve this purpose by matching companies based on supply and demand needs.

- **Peer Support and Community Building**

Some matchmaking e-services focus on connecting individuals seeking support or advice with peers in similar situations. This includes platforms for mental health support, parenting, and various hobbies or interests.

- **Academic and Research Collaborations**

Academic networking platforms match researchers, scholars, and students based on research interests, facilitating collaboration on projects, papers, or studies.

- **Event Networking**

These services are designed to connect attendees at conferences, trade shows, or events based on their professional interests, facilitating meaningful connections and discussions.



3. Information selling on the web

Information Selling on the web refers to the digital commerce practice of creating, marketing, and distributing information-based products or services online. These products, often encapsulated as e-books, online courses, webinars, reports, subscription services, and software, are designed to convey knowledge or provide solutions to specific problems. The process leverages the internet's global reach and digital distribution channels, enabling creators and businesses to target and sell directly to niche audiences worldwide. This model capitalizes on the growing demand for instant access to specialized information and educational content, offering a lucrative avenue for experts and entrepreneurs to monetize their expertise and intellectual property in the digital age.

Rise of Information Selling:

- **Early Internet and Digital Content**

Initially, the internet served as a new medium for sharing knowledge, primarily through basic websites and forums. As the web evolved, so did the methods for packaging and distributing information. The 1990s saw the emergence of e-books and online articles, but these were often offered for free or shared without a clear business model.

- **Technological Advancements**

The development of e-commerce platforms and secure digital payment systems played a crucial role. Platforms like Amazon, PayPal, and later, Shopify, made it easier for individuals and businesses to sell and consumers to buy digital products securely online. These advancements lowered the barrier to entry for selling information, allowing anyone with expertise in a particular area to reach a global audience.



- **Changing Consumer Behaviors**

The demand for online learning and digital content has surged, driven by the convenience of accessing information from anywhere and the desire for self-paced, personalized learning experiences. This shift has been further accelerated by global events such as the COVID-19 pandemic, which pushed more people towards online resources for education, entertainment, and professional development.

- **Value of Specialized Knowledge**

In an age of information overload, curated and specialized knowledge has become increasingly valuable. Individuals and businesses are willing to pay for high-quality, expert information that solves specific problems or improves skills. This has led to the proliferation of online courses, webinars, and niche-specific content, creating a vibrant market for information sellers.

- **Rise of Self-Publishing and Content Platforms**

Self-publishing tools and content platforms have democratized information selling, allowing authors, educators, and creators to bypass traditional publishing and distribution channels. Platforms like Udemy, Teachable, and Kindle Direct Publishing enable creators to design, market, and sell their content directly to consumers, retaining more control over their products and profits.

- **Advent of Subscription Models**

Subscription services and membership sites have emerged as popular models for information selling, providing a steady revenue stream for creators and ongoing value for consumers. This model has been embraced across various niches, from business and technology to health and fitness.

- **Social Media and Marketing Evolution**

Social media and digital marketing have opened new avenues for promoting information products. Content marketing, search engine optimization (SEO), and influencer partnerships have become critical strategies for reaching target audiences

E-Entertainment

E-entertainment or electronic entertainment, refers to forms of leisure and amusement activities that are facilitated by digital technology and accessed via electronic devices such as computers, gaming consoles, smartphones, and tablets. This broad category encompasses a wide range of digital content and experiences, including online video games, streaming services for movies and music, virtual reality experiences, social media platforms, and interactive web-based applications. E-entertainment leverages the internet and digital media to provide users with immersive, interactive, and on-demand entertainment options, transforming how people engage with media and entertainment in the digital age.

Rise of e-Entertainment:

Technological Advancements

- **Internet Expansion:**

The widespread adoption of the internet has been the primary catalyst for the growth of e-entertainment, providing a global platform for distributing and accessing entertainment content.



- **Mobile Technology:**

The advent of smartphones and tablets has made it possible to access entertainment on the go, significantly increasing consumption time and creating new opportunities for content delivery.

- **Streaming Technology:**

Improvements in streaming technology have enabled the real-time delivery of video and audio content, reducing the need for physical media and allowing instant access to a vast library of digital entertainment.

- **Gaming Technology:**

Advances in gaming hardware and software have propelled video games into a leading form of entertainment, with immersive graphics, online multiplayer experiences, and virtual reality.

Changing Consumer Behaviors

- **Demand for Convenience:**

Modern consumers prioritize convenience and flexibility, preferring entertainment options that fit their schedules and lifestyles. E-entertainment meets this demand by offering on-demand access to content.

- **Personalization:**

There's a growing expectation for personalized entertainment experiences. Algorithms and data analytics allow e-entertainment platforms to tailor content recommendations to individual users, enhancing engagement.

- **Interactive and Social Experiences:**

E-entertainment often incorporates interactive and social elements, allowing users to engage with content and connect with others, adding value beyond passive consumption.

Economic and Social Factors

- **Cost-Effectiveness:**

Many e-entertainment options offer cost advantages over traditional media, such as subscription models that provide extensive libraries of content at a fixed rate, appealing to cost-conscious consumers.

- **Globalization:**

The internet has globalized entertainment, enabling content creators to reach international audiences and consumers to access diverse content from around the world.

- **Social Media Influence:**

Social media platforms have become significant drivers of e-entertainment, both as distributors of content and as platforms for user-generated content, influencing trends and popular culture.

Ecosystem of E-Entertainment

- **Content Creators:**

From independent creators to large studios, the production of digital content has expanded, fueled by platforms that facilitate direct creator-audience interactions.

- **Platforms and Services:**

A multitude of platforms, including streaming services, gaming platforms, and social networks, compete and innovate to deliver compelling e-entertainment experiences.

- **Technology Providers:**

Companies providing the hardware (like gaming consoles, VR headsets) and software (streaming services, game

Major Forms of e-Entertainment:

- **Video Games**

Video games are at the forefront of e-entertainment, offering an array of genres and formats that cater to a wide audience. From immersive single-player adventures and competitive multiplayer online games to casual mobile games, the video gaming industry has seen exponential growth, further accelerated by advances in graphics, gameplay mechanics, and storytelling.

- **Streaming Services**

Streaming platforms for movies, TV shows, and documentaries have revolutionized the way people access and consume video content. Services like Netflix, Amazon Prime Video, and Disney+ provide vast libraries of on-demand content, making it possible to watch favorite shows and movies anytime, anywhere, without traditional broadcast schedules or physical media.

- **Music Streaming**

Music streaming services such as Spotify, Apple Music, and Tidal have transformed music consumption, offering access to millions of songs, albums, and curated playlists with a simple subscription. These platforms allow users to discover new music tailored to their tastes and share playlists with others, contributing to the global music culture.

- **eBooks and Digital Publishing**

The rise of digital publishing has made books, magazines, and newspapers accessible on electronic devices, including e-readers, tablets, and smartphones. Platforms like Amazon Kindle and Apple Books provide a convenient way for users to purchase, download, and read literature without the need for physical copies, catering to the needs of avid readers everywhere.



- **Online Casinos and Gambling**

Online casinos and betting platforms offer virtual gambling experiences, from poker and blackjack to slot machines and sports betting. Regulated by jurisdiction-specific laws, these platforms replicate the excitement of traditional gambling environments with the added convenience of accessibility from home.

- **E-Sports**

E-sports, or competitive video gaming, has emerged as a major form of entertainment, with professional leagues, tournaments, and live-streaming events that attract large global audiences. E-sports combines the excitement of sports competition with the engaging nature of video gaming, creating a new entertainment paradigm.

- **Interactive Storytelling and Web Series**

Digital platforms have also given rise to interactive storytelling and web series, where viewers can choose the direction of the narrative or engage with stories in innovative ways. This form of e-entertainment leverages the interactive nature of the web to create unique, engaging experiences.



4. Auctions and other specialized services.

- ▶ E-commerce encompasses various specialized services like online auctions, portals, and other platforms that facilitate online transactions. Auctions, in particular, offer a dynamic environment for buyers and sellers, while portals act as centralized hubs for diverse listings and transactions.
- ▶ Online auctions, also known as e-auctions, are a method of buying and selling goods or services over the internet where potential buyers place competing bids.



Features:

- **Global Reach:**

Online auctions connect sellers with buyers around the world, expanding the market for rare or niche item

- **Convenience:**

Both buyers and sellers can participate from the comfort of their homes at any time.

- **Diverse Inventory:**

The range of products available is vast and varied, catering to almost any interest or need.

- **Price Discovery:**

Auctions can be an effective way to determine the market value of unique or rare items.



Specialized E-Services

Beyond auctions, the digital landscape is rife with specialized e-services that cater to specific sectors or interests. These include:

1. E-Learning Platforms

These platforms offer courses and educational resources for a wide range of subjects, providing opportunities for lifelong learning, professional development, and academic instruction. Examples include Coursera, Udemy, and Khan Academy.

2. Freelance Marketplaces

Websites like Upwork and Fiverr connect freelancers with clients needing services ranging from writing and graphic design to programming and digital marketing. These platforms facilitate the gig economy, allowing professionals to offer their skills on a project-by-project basis.

3. Crowdfunding Platforms

Kickstarter and Indiegogo are platforms where individuals and startups can raise funds for creative projects, innovations, and business ventures from a large number of people, typically via the internet. This model enables creators to validate their ideas and secure funding without traditional investment.



4 . Subscription Services

This model has been widely adopted across various sectors, including entertainment (Netflix, Spotify), software (Adobe Creative Cloud, Microsoft Office 365), and even food delivery services (HelloFresh, Blue Apron). Subscription services offer convenience and value, often providing access to extensive content libraries or services for a recurring fee.

5 Health and Wellness Apps

Digital platforms offering telehealth services, mental health support, fitness tracking, and personalized wellness plans have become increasingly popular, providing users with convenient access to health-related services and information.



Thank You!

